

VILLAGE OF ORLAND PARK

14700 S. Ravinia Avenue
Orland Park, IL 60462
www.orlandpark.org



Meeting Minutes

Monday, February 5, 2024

6:00 PM

Village Hall

Committee of the Whole

*Village President Keith Pekau
Village Clerk Patrick R. O'Sullivan
Trustees, William R. Healy, Cynthia Nelson Katsenes, Michael R. Milani,
Sean Kampas, Brian Riordan and Joni Radaszewski*

CALL TO ORDER/ROLL CALL

The meeting was called to order at 6:04. P.M.

Present: 7 - President Pekau; Trustee Healy; Trustee Nelson Katsenes; Trustee Milani; Trustee Kampas; Trustee Riordan and Trustee Radaszewski

APPROVAL OF MINUTES**2024-0079 Approval of the December 18, 2023, Committee of the Whole Minutes**

I move to approve the Minutes of the Regular Meeting of the Committee of the Whole of December 18, 2023.

A motion was made by Trustee Nelson Katsenes, seconded by Trustee Kampas, that this matter be APPROVED. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, and Trustee Radaszewski

Nay: 0

ITEMS FOR SEPARATE ACTION**2024-0031 Elevated Tank No. 8 and No. 1 Rehabilitation - Bid Award**

Elevated Tank No. 8 (Tank 8) is located at 15501 Park Station Boulevard, was built in 1979 by Chicago Bridge & Ironworks, and is a 500,000-gallon elevated single pedestal tank.

Elevated Tank No. 1 (Tank 1) is located at 117801 S. Wolf Road, was built in 1994, also by Chicago Bridge & Iron Works, and is a 2,000,000-gallon elevated single pedestal tank.

In October 2015, Pittsburg Tank & Tower Maintenance Company was hired to complete a full inspection of all seven (7) water towers. At the time of the inspection, Tanks 8 & 1 had very minor failures in the coating system, so it was recommended to renovate the tanks in the next five (5) years. Due to the other towers having more immediate concerns, as the annual plan was developed for all the towers, Tanks 8 & 1 were pushed slightly further out.

On June 26, 2019, the Illinois EPA conducted an inspection of the Village's water system. Though no violations were found, the report did include a recommendation to address paint issues and re-paint Tank 8 & 1. Village staff was then required to submit a plan of action to comply with its recommendation. The Illinois EPA was informed that plans to renovate all seven (7) water towers was already underway.

Tanks 8 & 1 will be the sixth and the seventh, respectively, of seven (7) water

towers to be rehabilitated. Public Works staff has been working closely with Christopher B. Burke Engineering on the rehabilitation design. The rehabilitation work includes surface repair and repainting, a new concrete floor, antenna and fall protection corral, and miscellaneous steelwork. The new exterior paint scheme is proposed to match the paint scheme that was Board approved in 2019, which features the new Village logo and white exterior on Tank 1. Tank 8 will also have a Centennial West logo added that was Board approved.

The Elevated Tank No. 8 and No.1 Rehabilitation project was advertised on BidNet Direct on December 21, 2023, with a submission deadline on January 23, 2024. Twenty-five (25) companies downloaded the specifications. The Village received four (4) bids for consideration, a summary of which is below.

Era-Valdivia Contractors, Inc, of Chicago, Illinois - \$2,698,500.00
Jetco, Ltd, of Wauconda, Illinois - \$2,850,311.00
Tecorp, Inc, of Joliet, Illinois - \$3,460,712.00
Neumann Company of Merrilan, Wisconsin- \$4,167,400.00

As an RFP, the Village evaluates proposals based on prices, vendor qualifications, and additional factors deemed relevant. The Village of Orland Park retains the right to accept any proposal, any part or parts thereof, or reject all proposals.

The Village has worked previously with Era-Valdivia Contractors, Inc., most recently in 2023 on the Tower 10 and Tower 8 Rehabilitation project. The Village had numerous issues in working with Era-Valdivia on this project, mostly related to scheduling and completing work in a timely manner. In not adhering to the project plans, time frames, and provisions detailed in the construction documents, the project suffered a lengthy delay in completion, and an overall time-consuming and frustrating experience for Village staff. Near continuous supervision by Village staff and outside consultants was ultimately necessary to ensure that the project was moved forward. All deficiencies were documented in corrective letters to the contractor. These delays prevented the Tower 8 part of the project to begin, and Era-Valdivia Contractors defaulted completion of Tower 8 on the contract in October 2023.

The Village has worked previously with Jetco Ltd. between 1997 and 1999 on our tanks, and there were no documented issues. Jetco Ltd. is also recommended by our design engineer, and they have performed well for other municipalities, including the well-known "Rose tank" in Rosemont and Woodfield Mall tank in Schaumburg. Jetco Ltd. also provided a revised best and final offer bid after discussion were held on their proposal quantities. This revised proposal reduced their price on the bid tab by \$109,137.00.

The proposal price difference between Jetco, Ltd, and Era-Valdivia Contractors, Inc. is within 5% and the Public Works Department believes the Village will

receive a better project by Jetco, Ltd to complete Tower 8 by the June 1st deadline, and Tower 1 by 180 days after notice to proceed.

Based on the evaluations, staff recommends approving the base bid from Jetco, Ltd for \$2,850,311.00. A \$150,000.00 contingency (which is less than 5%) is requested to address change orders made necessary by circumstances not reasonably foreseeable at the time the bid was signed, for a total contract price not to exceed \$3,000,311.

President Pekau had a question. (refer to audio)

Director of Public Works Joel Van Essen responded to President Pekau. (refer to audio)

I move to recommend to the Village Board to accept the base bid from Jetco, Ltd, of Wauconda, Illinois, for RFP 23-073 Elevated Water Tanks #8 and #1 Rehabilitation and award a contract in an amount of \$2,850,311.00 plus \$150,000.00 contingency for a total amount not to exceed \$3,000,311.00.

A motion was made by Trustee Milani, seconded by Trustee Kampas, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, and Trustee Radaszewski

Nay: 0

2024-0038 Public Works Heavy Duty In Ground Vehicle Lift - Purchase and Installation

Technicians in the Vehicles and Equipment garage often lift large heavy duty equipment and vehicles in order to safely and effectively service them. The Public Works service garage was constructed over thirty (30) years ago and was built with three (3) heavy-duty vehicle lifts for lifting larger class 7 and 8 trucks and large equipment. One (1) of those lifts was taken out of service in 2010 because of structural and safety deficiencies. The two (2) additional functioning heavy duty vehicle lifts are nearing the end of their usable life and require frequent maintenance.

Newer lifts are designed with enhanced safety features and anti-corrosion construction to ensure longer in-ground life. The operation of the new lift is controlled by a central control panel and requires minimal physical effort from the technician resulting in quicker and safer operation.

A proposal was subsequently provided by Safetylane Automotive Equipment, utilizing Sourcewell contract # 013020-SKI, for the purchase and installation of one (1) Stertil-Koni Diamond 64-13, 64,000-pound capacity in ground heavy-duty vehicle lift. The proposal is attached for reference. Once installed, the vehicle

technicians working in the Public Works Building will have the ability to work safely on large trucks and it will ensure there will be one (1) operational heavy-duty truck lift available if the other older unit is decommissioned. Due to the age and condition of the two (2) operational heavy-duty in ground lifts, the Public Works Department has made this project a priority. Future funds have been budgeted for the replacement of the remaining two (2) heavy-duty in-ground lifts.

Rotary and Stertil-Koni are the two manufacturers that offer the type of in-ground lift that is needed. A proposal was received for the Rotary HDI-225 heavy-duty in-ground lift, and installation, from PR Streich for a Sourcewell discounted price of \$319,265.53. Safetylane Automotive Equipment provided a proposal for the Stertil-Koni Diamon 64-13 heavy-duty in-ground lift, and installation, for a Sourcewell discounted price of \$267,614.00.

As such, staff recommends approving the proposal from Safetylane Automotive Equipment for \$267,614.00 for the purchase and installation of one (1) Stertil-Koni Diamond 64-13 heavy-duty in ground vehicle lift at the Public Works Building. A 10% (\$26,761.40) contingency is also requested to address change orders made necessary by circumstances not reasonably foreseeable at the time the contract is signed.

Trustee Kampas had a question. (refer to audio)

Director of Public Works Joel Van Essen responded to Trustee Kampas. (refer to audio)

I move to recommend to the Village Board to approve the use of Sourcewell contract # 013020-SKI for the purchase and installation of one (1) Stertil-Koni Diamond 64-13 64,000-pound capacity, heavy-duty vehicle and equipment lift from Safetylane Automotive Equipment for the amount of \$267,614.00 plus a 10% contingency of \$26,761.40 for a total amount not to exceed \$294,375.40.

A motion was made by Trustee Radaszewski, seconded by Trustee Riordan, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:

Aye: 6 - President Pekau, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, and Trustee Radaszewski

Nay: 0

Abstain: 1 - Trustee Healy

2024-0067 Purchase of Seven (7) Ford F350 Super Duty Crew Cab Trucks and Two (2) F350 Chassis Cab Trucks

Vehicles and Equipment has developed a long-term vehicle replacement plan that includes the replacement of nine (9) Super Duty trucks for FY24. The average age of the nine (9) trucks that need replacement is thirteen (13) years.

The Board approved the FY23 capital budget for vehicle replacements. Due to supply chain issues and production delays, the Village was only allocated one (1) Super Duty from Ford. A 2023 Ford F350 Crew Cab was ordered and received. A 2023 Ford F450 chassis cab was also procured from dealer inventory.

Due to the difficulty of procuring vehicles in 2023, the replacements were pushed to 2024. The Village has received confirmation that the vehicles ordered for 2024 will be built and delivered.

It has been determined that purchasing Ford F350 Crew Cabs would be the most beneficial, versatile and have the biggest impact on standardizing and right-sizing the fleet and is in conformance with the Fleet Assessment that was completed in 2021.

The 2024 Fiscal Year Budget includes the replacement of nine (9) vehicles with 2024 Ford Super Duty Trucks. These new vehicles will be replacements and will not add additional vehicles to the fleet.

One F350 Chassis Cab will be up-fitted with a utility body with emergency response equipment for Orland Park's Emergency Services and Disaster Agency and will replace a 2011 Chevrolet Tahoe currently used by E.S.D.A. (another is planned in 2025).

The second F350 Chassis Cab will be up-fitted with a stake body and lift gate for the Utilities Division.

Seven (7) F350 4x4 Crew Cab trucks will be up-fitted with aluminum lift gates and truck bed toolboxes. The simple body setup will ensure the truck is versatile and can be used throughout different divisions if needed.

Sutton Ford currently holds the SPC (Suburban Purchasing Cooperative) contracts for Ford Super Duty Trucks and offers the most competitive pricing available for Ford Super Duties.

Staff would like to utilize the SPC (Suburban Purchasing Cooperative) contracts #222 and #225 and proceed with the purchase of seven (7) Ford F350 Crew Cab trucks with 8' beds and two (2) F350 Chassis Cabs to be up-fitted.

President Pekau had comments. (refer to audio)

I move recommend to the Village Board to approve the proposals from Sutton Ford of Matteson, Illinois for the purchase of seven (7) 2024 Ford F350 4x4 Crew Cab trucks for the amount of \$388,269.00 and two (2) Ford F350 Chassis Cabs for the amount of \$116,465.00 for a total amount not to exceed \$504,734.00 per quotes from Sutton Ford dated October 10, 2023, and November 27, 2023.

A motion was made by Trustee Riordan, seconded by Trustee Healy, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, and Trustee Radaszewski

Nay: 0

2024-0086 Purchase of Four (4) Ford Transit 250 Vans

The Vehicles and Equipment long-term vehicle replacement plan includes the replacement of four (4) cargo work vans for FY24. The average age of the four (4) vans that need replacement is fifteen (15) years.

The Board approved the FY23 capital budget for vehicle replacements. Due to supply chain issues and production delays, there was a shortage in availability of Ford Transit vans, and the Village was unable to procure a van. Due to the difficulty of procuring these vehicles in 2023, the replacements were pushed to 2024. The Village has received confirmation that the vans ordered for 2024 will be built and delivered.

The Ford Transit 250 with a 148" wheel base and mid-height roof is the Village standard for work and cargo vans.

The 2024 Fiscal Year Budget includes the replacement of four (4) vans with 2024 Ford Transit 250 vans. These new vehicles will be replacements and will not add additional vehicles to the fleet. Three (3) Natural Resources and Facilities work vans, all model year 2008, will be replaced and up-fitted with the appropriate equipment. The fourth van will replace a work van in the Utilities Division that is a 2010 model year.

There are no available state contracts or cooperative purchase contracts for the 2024 Ford Transit vans, and pricing for the vehicles has not gone below manufacturer's suggested retail price. As such, we reached out to our local Orland Park Ford dealer. Joe Rizza Ford provided a quote for the specified Transit vans and discounted them \$1,000 each from MSRP.

Staff would like to proceed with the purchase of four (4) Ford Transit 250 vans from Joe Rizza Ford of Orland Park, Illinois.

I move to recommend to the Village Board to approve the proposals from Joe

Rizza Ford of Orland Park, Illinois for the purchase of four (4) 2024 Ford Transit 250 vans for the amount of \$55,276.03 each for a total amount not to exceed \$221,104.12 per quotes from Joe Rizza Ford.

A motion was made by Trustee Kampas, seconded by Trustee Radaszewski, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, and Trustee Radaszewski

Nay: 0

2024-0019 Village Investment Portfolio Overview and Direction

The Village currently holds its cash in a number of institutions for a variety of purposes. The focus of this report is the Village's own cash and investments. This does not include funds for the Police Pension, E-911 Fund, or Stellwagen Foundation.

BMO Harris

Our daily operating bank is BMO Harris (BMO). We have a number of different accounts, many of which are required by law or for operational efficiency. With this banking arrangement, we receive a small credit (currently just under 1%) for funds on hand that is used to offset bank fees, but we do not earn interest.

Illinois Funds

This investment pool is used to accept certain online credit card payments (Illinois E-Pay) and some payments from the State of Illinois. Funds held in this account earn a competitive varying interest rate. For December, 2023, the average daily yield was 5.462%.

Hammond Investment Management, LLC

A portion of the Village's investment portfolio is held at Hammond Investment Management, LLC (Hammond). We currently have about \$8.7M invested in various US Treasury Bills and Notes, and various US Government Agencies. These are fixed income instruments that are very safe and secure. When these investments mature, Hammond reinvests the funds.

PMA Financial Network

The majority of our investment portfolio is held at PMA Financial Network (PMA). There are three types of investments at PMA: ISC (similar to a liquid money market account), LTD (Long Term investment with a short lead time to liquidate funds), and fixed income holdings, such as CDs and government agencies (like Hammond).

We also invest our bond proceeds with PMA, which is necessary for tracking and arbitrage purposes.

Up until a few years ago, we were earning a higher earnings credit with BMO, which fully offset our banking fees. In recent years, the earnings credit rate has declined. In 2023, the rates of return for other investments has increased from less than 1% to over 5%, which changed our approach to cash and investment management. The amount of funds that are being held at BMO has dropped significantly (by design), and the amount that we have invested has increased.

In late 2022, in consultation with Trustee Healy, we started to reestablish our investment latter with PMA. We invested in 4 collateralized CDs at BMO of \$7.5M each, maturing 6 months apart (mid 2023, January 1, 2024, June 28, 2024, and December 31, 2024). We also currently hold two other CDs valued below \$250,000, which is based on FDIC Insurance limits.

With the recent maturity of \$7.5M on January 2, 2024, it was determined that this would be a good opportunity to update the Village Board on the overall investment portfolio and to seek direction on investment strategy.

Current Investment Portfolio (excluding bond proceeds)

As of the most recent statements available, the Village has an investment portfolio of \$82.1M as follows:

BMO: \$6.9M [8.4% of the portfolio]

Illinois Funds: \$0.3M [0.3%]

Hammond: \$8.7M [10.7%]

PMA: \$66.2M [80.7%]

The breakdown of investment types is currently as follows:

BMO operating funds: \$6.9M (not earning interest income, but earning about 1% rate credit.) [8.4%]

Illinois Funds: \$0.3M (earning about 5.5%) [0.3%]

Hammond: \$8.7M in US Government securities and agencies, laddered fixed income portfolio) [10.7%]

PMA Money Market: \$48.6M (\$41.1M, plus \$7.5M maturity for January 2, 2024) earning about 5.3%, [59.2%]

PMA Long Term Investment: \$2.1M (increased in value by 4.82% from December 2022 to December 2023) [2.5%]

PMA Fixed Income Portfolio: \$15.5M [18.9%], with the following maturities:

- June 28, 2024, \$7,500,000, 4.64%
- August 1, 2024, \$234,000, 3.201%
- August 12, 2024, \$249,709.90, 3.203%
- December 31, 2024, \$7,500,000, 4.212%

Investment Income Performance

Historical investment income for the last 10 years is listed below. Investment income is a function of investable cash on hand and interest rates. Over this period, the Village peaked in 2022 due in large part to significant bond proceeds

on hand in a rising interest rate environment.

Annual Investment Income

2014	Actual	\$ 1,855,355
2015	Actual	\$ 1,827,725
2016	Actual	\$ 1,874,055
2017	Actual	\$ 1,257,647
2018	Actual	\$ 824,613
2019	Actual	\$ 1,393,945
2020	Actual	\$ 1,148,042
2021	Actual	\$ 183,614
2022	Unaudited	\$ 3,027,148
2023	Unaudited	\$ 2,678,485

This information is presented in graph format in the Investment Income History attachment.

Issues

Keeping in mind our investment objectives (1. Safety, 2. Liquidity, and 3. Yield), we would like Village Board direction on overall investment strategy and approach. Here are some issues that could impact our approach to the investment portfolio.

Concentration Risk. If we have too much of our investment portfolio with a single investment vehicle or institution, we increase our concentration risk. If there are problems or issues with that particular investment, then a significant amount of our portfolio remains at risk. Our investments are secured by various methods, including FDIC insurance and collateral. However, recovery of assets is not necessarily immediate.

Interest Rate Projections. While the current interest rate environment is very favorable for fixed rate investments, that could change gradually or dramatically over the next year. Generally, the rate of the investment returns reflects the Federal Open Market Committee (FOMC, often referred to as the Fed Rate). If the Fed Rate increases, our investment rates of return (and borrowing costs) increases. If the Fed Rate decreases, our investment rates of return (and borrowing costs) decreases.

Duration. Our investment portfolio is currently a very short duration, meaning we have much of our portfolio in money market type accounts where rates can fluctuate daily (IL Funds and PMA). This means that we have a small portion of our portfolio locked into current rates for the foreseeable future. This is beneficial in rising interest rate environments, but detrimental in decreasing rate environments.

Timing the Market. We do not make investment decisions based on short term market fluctuations. It is safer and more secure to think longer term and make

decisions based on general directions.

Options

Among others, the following options may be considered.

Option #1: Stay with short term duration (i.e. cash or money market investments). If we continue to stay with the money market investment vehicles, we will likely earn more in investment income in the short term. However, this will change if the interest rate environment declines as rates are not locked in for any period of time.

Option #2: Reestablish a ladder portfolio. In order to lock in current rates, it may be prudent to lock in current rates and reestablish the ladder portfolio. The ladder could include maturities every three or six months, and could extend over two or three years.

Option #3: Diversify the portfolio. To address concentration risk, we can consider adding additional investment options and reallocating where our portfolio is invested. We have begun preparing an RFP to add an additional local bank as an additional investment option, where we could park a portion of the Village's portfolio.

Recommendations

Staff recommends the following in order to reduce our concentration risk and to lock in current rates:

1. The Village reestablish a three-year ladder portfolio, resulting in approximately \$5M maturities every 6 months, which will then be reinvested unless and until the funds are needed.
2. Increase long term investment at PMA from \$2M to \$5M.
3. Increase investments with Hammond to \$10M.
4. Target \$20M in liquid money market funds at PMA for immediate cash flow needs.
5. Target cash balances between \$5M and \$10M at BMO for daily operating activity.
6. Invest \$5M with a new banking institution to be selected by RFP. When the existing \$7.5M maturities mature in June and December 2024, \$5M will be reinvested into the ladder, and \$2.5M will be invested with a new banking institution.

Current Portfolio Allocation

BMO	\$6,859,168	8.4%
IL Funds	\$264,126	0.3%
Hammond*	\$8,744,798	10.7%
PMA Liquid	\$48,617,775	59.2%
PMA Long Term	\$2,090,400	2.5%
PMA Ladder	\$15,483,710	18.9%
Total	\$82,059,977	

*November statement balance

Recommended Portfolio Allocation

BMO	\$10,000,000	12.2%
IL Funds	\$1,000,000	1.2%
Hammond	\$10,000,000	12.2%
PMA Liquid	\$20,000,000	24.4%
PMA Long Term	\$5,000,000	6.1%
PMA Ladder	\$30,000,000	36.6%
New Investment	\$5,000,000	6.1%
Misc. Cash	\$1,059,977	1.3%
Total	\$82,059,977	

Change

BMO	+\$3,140,832	45.8%
IL Funds	+\$735,874	278.6%
Hammond	+\$1,255,202	14.4%
PMA Liquid	-\$28,617,775	-58.9%
PMA Long Term	+\$2,909,600	139.2%
PMA Ladder	+\$14,516,290	93.8%
New Investment	+\$5,000,000	100%
+Misc. Cash	\$1,059,977	100%

Director of Finance Kevin Wachtel presented information regarding this matter.
(refer to audio)

Trustee Riordan had questions and comments. (refer to audio)

Director Wachtel responded to Trustee Riordan. (refer to audio)

President Pekau had comments. (refer to audio)

Director Wachtel and Village Manager George Koczwara responded to President Pekau (refer to audio)

Trustee Healy had questions and comments. (refer to audio)

Director Wachtel, President Pekau and Village Manager Koczwara responded to Trustee Healy. (refer to audio)

Trustee Milani had comments. (refer to audio)

Trustee Katsenes had questions and comments. (refer to audio)

Director Wachtel responded to Trustee Katsenes. (refer to audio)

President Pekau had comments. (refer to audio)

I move to recommend to the Village Board to approve rebalancing the Village's investment portfolio as follows: Reestablish a three year ladder portfolio with PMA with \$5,000,000 maturing every six months, increase the long term investment at PMA to \$5,000,000, increase investments with Hammond Investments to \$10,000,000, invest \$5,000,000 with a new banking institution to be selected by RFP, target cash balances at BMO between \$5,000,000 and \$10,000,000, and target PMA money market of \$20,000,000, to be reviewed and rebalanced every six months.

A motion was made by Trustee Riordan, seconded by Trustee Healy, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, and Trustee Radaszewski

Nay: 0

2024-0084 Strategic Annexations - 2024 Update

In 2007, the Village began the process of completing a comprehensive annexation study. This was done in order to identify pockets of land wholly surrounded by the Village of Orland Park and less than 60-acres in area left unincorporated as a result of "leap frog development." These pockets of contiguous, unincorporated areas create gaps in service delivery such as road maintenance, emergency response, and other services handled by overlapping agencies. In 2022, the Village restarted this project by presenting a new comprehensive analysis to the Village Board.

The purpose of the strategic annexation plan for unincorporated areas is to promote effective growth management practices by filling in the gaps of municipal infrastructure and services rather than extending them further out. Annexation can ensure services are provided in an efficient manner and paid for equitably by those who benefit from them.

All properties eligible for unilateral annexation were evaluated. Eligibility is determined by 65 ILCS 7-1-13 which permits unilateral annexation when a contiguous unincorporated area (one or more properties) is 60 acres or less and is surrounded by one or more Villages and/or other boundaries as set forth therein. When conducting a unilateral annexation, a Village must annex the entire, contiguous unincorporated area.

At the time there were 47 areas that were identified. Since that time 3 of these parcels were acquired by the Village and annexation is pending. This area includes over 200 parcels with some areas only containing one parcel and the largest area including thirty (30) parcels. The size of the areas range from ½ acre to 42.5 acres. The vast majority of the identified properties are residential.

In 2022, the Village Board gave direction to send notice to all of the remaining 44 properties to contact the property owners and ask if they would like to pursue voluntary annexation. The attached letter was sent to the tax payer of record for each of the properties identified. After the initial notification, another letter was sent to the property owners to attempt to reach as many owners as possible. The results are as follows:

44 Properties were notified
All were sent 2 letters
36 did not respond
8 Property owners have met with to discuss voluntary vs. unilateral annexation
 1 annexation is pending
 4 others prefer not to annex but are considering voluntary annexation

A summary status of each of the 8 properties we met with are provided below.

16549 108th Avenue

Update: Staff has reached out and is awaiting response to determine if the property owners are still against voluntary annexation.

Property owners, do not want to be annexed. During the meeting they became amenable to the idea but the preference would be to remain unincorporated.

- Main Issues:
 - * Concerned about the new tax burden.
 - * Referenced previous negative dealings with the Village
 - * Feel they were taken advantage of by a developer in the past.

14420 S 80th Avenue

Update: The family has retained an attorney and they are not interested in annexation.

Property owned by family. There is one elderly man that lives on the property. They do not want to be annexed.

- Main Issues:
 - * According to the attorney there would be not advantage to the property owners
 - * The property is surrounded by R-2 and R-3 homes
 - * May be more advantageous to pursue an agreement when property owners are ready to sell
 - * Highly unlikely that it would develop in Cook County

13705 82ND Avenue

Update: Owner may be interested in annexation. A meeting is pending to discuss the next steps.

Owner would prefer to stay unincorporated.

- Main Issues
 - * Did not seem extremely opposed but is weary of the potential tax burden

- * Would like to clear up confusion about police jurisdiction
- * Has bonfires on property and is worried that Orland municipal regulations may be too strict
- * He is already connected to water and sewer

16501 118th Avenue

Update: Staff has sent the annexation petition and will meet with the property owner to discuss next steps and required submittals.

Property owner, open to annexation by agreement

- Main Issues
 - * Would also like to pursue zoning change to R-3.
 - * Adjacent to Gallagher and Henry Land
 - * Village would require easement for Spring Creek for potential future maintenance (Tinley Creek)

15350 108th Avenue

Update: Meeting pending to discuss next steps and submittal documents.

Property owner inherited the property from family.

- Main Issues
 - * Concerned about potential code requirements
 - * Is currently considering an annexation agreement
 - * Would like to connect to water/sewer

11250 151st Street

Attorney is preparing documents for submittal. He stated that his petition has lagged because they have run into some permitting issues with Cook County for the owner's pool. The pool permit will need to be complete prior to annexation to avoid any overlapping jurisdictions.

- Main Issues
 - * In the process of constructing a new pool, Cook County was requiring that he provide for an alternative septic field location should the existing field fail. Would like to annex in order to get Village water and sewer.
 - * Village previously attempted to annex the property voluntarily; however, when it came time to execute the annexation, the Village required that he connect to both water and sewer. Owner refused and the Village terminated the annexation petition
 - * On-Site inspection has been completed.

14555-14567 S 82nd Avenue

Update: Owner is opposed to annexation. Understands the purpose of the project but does not see a benefit to him and is concerned about the tax burden.

- Main Issues
 - * Owner does not see the value in annexation
 - * Does not water or sewer
 - * Concerned about tax increase
 - * Warned staff that the larger the town gets the larger the tax burden will be

for the residents

- * At end of the meeting, was not happy but stated it sounded like this was going to happen anyways.

16901 108th Avenue

Update: Owner asked for a waiver of water/sewer tap fees. Staff responded that this would not be considered. Owner is no longer interested in voluntary annexation.

Owner was previously working with an attorney and would like to consider an annexation agreement

- Main Issues
 - * Would like to rezone property to R-3
 - * May not pursue annexation voluntarily

The main issues for those not interested in annexation are the increased tax burden, fear of new strict Village regulations, and some do not see an advantage to annexation. It is important to note that regardless of the benefit to the current resident the intent of annexation of these specific properties is to ensure the owners are paying their fair share of the tax that covers the cost of the services that each benefit from.

This item is again before the Board to discuss next steps. Since voluntary annexation has not been overwhelmingly successful, the Village may pursue involuntary annexation of the parcels as outlined in the 2022 Strategic Annexations report that are not willing to voluntarily annex.

Economic Development Coordinator Ed Lelo presented information regarding this matter. (refer to audio)

Village Manager Koczwara had comments regarding this matter. (refer to audio)

Trustee Riordan had questions. (refer to audio)

Economic Development Coordinator Lelo responded to Trustee Riordan. (refer to audio)

Trustee Radaszewski had a question. (refer to audio)

Economic Development Coordinator Lelo responded to Trustee Radaszewski. (refer to audio)

President Pekau had comments. (refer to audio)

Chief of Police Eric Rossi had comments. (refer to audio)

A resident, James, addressed the Board regarding this matter. (refer to audio)

Resident, Paul Wolfrum addressed the Board regarding this matter. (refer to audio)

Resident, Mark McMahon addressed the Board regarding this matter. (refer to audio)

President Pekau responded to the residents' comments. (refer to audio)

Trustee Milani had comments. (refer to audio)

President Pekau and Economic Development Coordinator Lelo responded to Trustee Milani's comments. (refer to audio)

Resident, Mark McMahon had additional comments to the Board. (refer to audio)

President Pekau responded to Mr. MacMahon's comments. (refer to audio)

Trustee Healy had questions. (refer to audio)

Village Manager Koczvara responded to Trustee Healy. (refer to audio)

Trustee Katsenes had comments. (refer to audio)

President Pekau had additional comments. (refer to audio)

This item was for discussion. NO ACTION was required.

ADJOURNMENT: 6:59 P.M.

A motion was made by Trustee Kampas, seconded by Trustee Nelson Katsenes, that this matter be ADJOURNED. The motion carried by the following vote:

Aye: 7 - President Pekau, Trustee Healy, Trustee Nelson Katsenes, Trustee Milani, Trustee Kampas, Trustee Riordan, and Trustee Radaszewski

Nay: 0

2024-0121 Audio Recording for the February 5, 2024, Committee of the Whole Meeting

NO ACTION

/AS

APPROVED:

Respectfully Submitted,

Patrick R. O'Sullivan, Village Clerk